



PRESS RELEASE

Internal Revenue Service - Criminal Investigation Cincinnati Field Office *Special Agent in Charge Kathy A. Enstrom*

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WOMAN PLEADS GUILTY IN TAX REFUND SCAM

COLUMBUS, OHIO -- Karen Y. McLean, 50, of Columbus, Ohio pleaded guilty to defrauding the Internal Revenue Service (IRS) by willfully filing false claims for income tax refunds. McLean faces a maximum of 5 years in prison and a fine of up to \$250,000.

Carter M. Stewart, United States Attorney for the Southern District of Ohio and Kathy A. Enstrom, Special Agent in Charge, Internal Revenue Service Criminal Investigation, Cincinnati Field Office announced the guilty plea entered before U.S. District Judge Peter C. Economus.

According to the indictment, during 2010 and 2011, McLean filed false Forms 1040, Individual Income Tax Returns, with the IRS on which she claimed false income tax refunds. The Forms 1040 included various fraudulent items, such as, false self-employment income reported on Forms Schedule C, Profit or Loss from Business, false dependents, and false claims for refundable income tax credits. The refundable income tax credits claimed on the false income tax returns included the Earned Income Tax Credit, Additional Child Tax Credit, and American Opportunity Credit.

After preparing the false income tax returns, McLean electronically filed them with the IRS from her home. The fraudulent income tax refunds were deposited into various bank accounts and onto prepaid cards, many of which were controlled by McLean and/or her family and friends.

The total tax loss to the IRS as a result of McLean filing false claims for income tax refunds was \$589,664.

"Karen McLean unlawfully filed false claims for income tax refunds for her own personal gain, reaping hundreds of thousands of dollars," said Kathy A. Enstrom, Special Agent in Charge, IRS Criminal Investigation, Cincinnati Field Office. "Individuals that commit this type of fraud against the IRS will be punished to the fullest extent of the law."

This case is being prosecuted by Assistant United States Attorney Jessica Kim and was investigated by special agents of IRS-Criminal Investigation.

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